



Commission on Military and National Security Facilities Initial Meeting Minutes – September 9, 2010

I. Attendees

Gerald Gordon, Dario Marquez, MG (ret) Pat Hickerson, Bobbie Kilberg, LTC (Ret) Bob Wood, Barry DuVal, GEN (Ret) John Abrams, Gen (Ret) John Jumper, Lisa Marie Cheney, Delegate John Cosgrove, Congressman Glenn Nye, Congressman Randy Forbes, Assistant to the Governor Terrie Suit, Deputy Assistant to the Governor Jim Hopper, former Congressman Tom Davis, Lt. Governor Bill Bolling, Secretary Jim Cheng, Congressman Bobby Scott, Congressman Gerald Connolly, Virginia State Senator Jeffrey McWaters, Mark Sickles, Richard Anderson, Mark Brunner, Kate MacGregor, Mary Ann Cannon, Erike Cage, Gary Nakamoto, Conaway Haskins

By Telephone: former Congressman Owen Pickett, Congressman Frank Wolf, Chris Gaspar representing Congressman Moran's Office, VADM (Ret) Jim Metzger, and Dave Bernd

II. Meeting Call to Order at 10:00 a.m., and Introductions

The Co-Chair, Congressman Tom Davis, requested each attendee to introduce themselves and provide a brief summary of their professional background.

III. Administration of Oath to Commission Members

The Secretary of the Commonwealth, Ms. Janet Polarek, administered the Oath of Office to the Commission members, and obtained their signatures to the required oath forms.

IV. Governor Bob McDonnell remarks to the Commission

V. Lieutenant Governor Bill Bolling remarks to the Commission

VI. Statements by Members of Congress

Congressman Frank Wolf – offered personal and staff assistance in any manner required by the Commission. Reminded the Commission that the Secretary of Defense is, in essence, a Virginian, being a graduate of the College of William and Mary, and he encouraged pursuing a meeting with the Secretary and his top staff members to obtain better information on the decisions announced by the Secretary in his speech of August 9, 2010.

Congressman Bobby Scott – thanked the members of the Commission for accepting the responsibility of serving on the Commission and for the contribution they were making in terms of time and energy. He

observed that the decision announced by the Secretary on August 9, 2010, did not mention either the Quadrennial Defense Review or the Base Realignment and Closure Commission law, which made the recommendation to the President suspect. He also stated that the matter had been brought to the attention of the President by him in a recent trip to New Orleans, and further, that he and his staff maintained contact with the White House staff in attempting to have the decision making process slowed while the matter could be studied. Finally, he noted that he and his staff have been, and will continue, to make request for all information available that supports this recommendation by the Secretary.

Congressman Randy Forbes – stated that the decision of the Secretary has long term consequences for the Commonwealth, given the recent example of the State of Florida in attempting to obtain a carrier battle group move from Norfolk to Mayport, Florida. He noted the funding commitments made by the communities surrounding the JFCOM facilities, to include the educational funding for modeling and simulation programs made by Old Dominion University. He expressed substantial concern with the announcement and announced manner for closing JFCOM because there appear to be no rules for the process, neither the Commonwealth officials nor the CODEL were consulted, and there were no savings apparent from the announced closure. The announcement has had a chilling effect on the economies of the affected localities, adversely affecting the real estate market, and constitutes a breach of trust with the localities because of the sums spent on building up infrastructure in the area.

Congressman Glenn Nye – stated that the CODEL is united in opposition and strategy in opposing this announced closing, and that the Commission is the result of suggestions by the CODEL to elevate these types of matters to the state level.

Congressman Gerald Connolly – stated that the potential damage to the Northern Virginia region and the entire Commonwealth by a reduction of a total of 30% use of defense contractors over the next three (3) years could not be underestimated. He noted that federal contracting represents the largest percentage of the total workforce in Northern Virginia. He was stunned by the fact that no savings could be shown to the Department of Defense by such a reduction in force, and that the small women and minority owned contracting firms would suffer the most from such cuts.

Both Co-Chairmen, Congressman Tom Davis and Congressman Owen Pickett, stated that the Commission would like to work in conjunction with the CODEL in order to achieve positions for the Governor to consider as long term solutions that address not only the JFCOM announcement, but also would posture the Commonwealth in dealing with anticipated future BRAC actions.

VII. E. Dana Dickens, Director of the Hampton Roads Partnership

Mr. Dickens made a presentation of the efforts of the working group put together by Senator Mark Warner to build a business case for supporting keeping JFCOM active, and if not keeping the command, at least salvaging those activities within the command that are essential to national security and the economy of the Hampton Roads region. He also noted that the Partnership had created a website for the purposes of collecting resource information on JFCOM, which can be found at www.HRP.org.

He also noted that the working group had not yet been able to obtain information regarding the leased real estate used by the Joint Warfighting Center/J-7 located in Suffolk. He did note that there were a number of real estate issues in the Hampton Roads area that needed to be addressed.

VIII. Congressman Forbes noted that collecting information was needed; however, once all of the information was collected, he questioned the desired result of gathering such information. He noted that, perhaps, a lawsuit would be an appropriate focus, especially given that this is not the first time this year that the Department has taken this type route – he noted the experience of the Congress in trying to obtain

the statutorily mandated ship building blueprint, and the aircraft building requirements. In addition, he noted that there had been no response to the Governor's two (2) letters seeking a face-to-face meeting with the Secretary and his senior staff. Given the response to date of DoD, he stated that he was not optimistic about receiving any additional information from DoD.

IX. Terrie Suit suggested that work groups be established by the Commission and proposed the following:

- USJFCOM Closure
- Second Fleet Mothball
- Defense Contractors Reduction by 30% over three (3) years
- Future Opportunities

X. Mark Brunner, Assistant to Senator Mark Warner for National Security, was asked to discuss the DoD to CODEL staff briefing that took place on September 8th.

He noted that out of an 11 page Power Point presentation, only two (2) lines were devoted to USJFCOM. He noted that the CODEL staff had advised DoD that it would like to be a part of the process involved in the decision to close USJFCOM; however, no response was ever received from DoD. There appears to be no analysis or data supporting the decision/recommendation. He reported that Senator Warner had put together the working group in Virginia Beach to consider putting together a business case for retaining USJFCOM. Lt. Governor Bolling noted continuing concern with the reduction in the use of defense contractors. Mr. Brunner advised that the DoD Comptroller admitted that there would be no savings until 2011, and then permission would have to be obtained from the four (4) congressional money committees.

XI. Bobbie Kilberg was asked to make a presentation on the potential impact of a 30% reduction in the use of defense contractors over the next three (3) years.

She stated that an economist at George Mason University noted that a total of 10.8 billion per year was spent on contracting assistance in Virginia. She noted that small and midsized companies would be the most adversely affected by this announcement, and noted that "in-sourcing" of positions did not contribute to any efficiency in government.

Congressman Davis noted that "in-sourcing" of contractor positions, as a general rule, may not generally hurt contractors; however the announced reduction of 10% per year for each of the next three (3) years will hurt. Commission member Marquez stated a concern that the law of unintended consequences may take over given that the number of minority and women owned companies will likely be the first hurt by such a move. Furthermore, Commission member Marquez believes that attempting to generate savings by "in-sourcing" is without basis. Commission member Gordon noted that a general rule of thumb exists about job creation and the related spin-off. It is generally felt that a new job created results in the development of two to three additional jobs in the secondary and tertiary economies. Similarly, when a job is lost, two to three support jobs are also lost. Thus a 1,000 lost primary jobs may actually result in several thousand in total losses.

Therefore, the announced reduction of 30% would have a tremendous negative impact on the economy of the Northern Virginia region.

XII. Commission Member Discussion and Input

Lieutenant General (Ret) Bob Wood stated that it was his view that the unified command plan requirements dictated the continuing need for USJFCOM. He believes that the joint warfighting

requirements of the American military, the multi-national (NATO) and interagency requirements for training American military forces to work with multi-national and interagency representatives in all current and future military actions also dictated the need to keep USJFCOM. He also felt that it was necessary to meet with the incoming USJFCOM commander to become informed and supportive of his required task.

Lieutenant Governor Bill Bolling thought it prudent to obtain legal advice from the Attorney General of Virginia regarding filing a lawsuit to slow down the process begun by the Secretary of Defense.

Gen John Jumper (Ret) stated that it was his experience during the last round of BRAC in 2005 that the Commonwealth has a number of assets that it should remember – some of which are the universities and colleges of the Commonwealth, the infrastructure resources developed for the various military commands in the Commonwealth, and the personnel who live in Virginia. Discussions must be initiated at the highest levels of the DoD to leverage these models for future growth and security. He is of the opinion that the functional requirements and capabilities in the Commonwealth cannot be replaced, and further, that any savings required by the announcement must be realized very quickly.

Mrs. Cheney – the former Deputy Assistant Secretary of Defense for Legislative Affairs for Secretary of Defense Don Rumsfeld, provided a brief explanation of the decision making process in the Pentagon by the Secretary of Defense in projecting the needs of the Department out over a twenty (20) year period – a Defense Overview Group.

Mark Brunner observed that the Allied Command Transformation (NATO) must be retained in Norfolk, and that the Atlantic Council of NATO must be lobbied by the CODEL. A command review takes place every six (6) months, and the closure of USJFCOM would most certainly be on the table for discussion at the next command review by NATO. In addition, he felt that the Commonwealth should position itself to take advantage of the following future possibilities:

- Cyber Opportunities
- All NATO modeling and simulation training
- NATO standardization of training

He also felt it important to begin lobbying for the placement of USAFRICOM in the facilities in Norfolk that would be vacated by a closure of USJFCOM.

XIII. Closing comments by Congressmen Davis and Pickett and Terrie Suit – Commission members encouraged to decide which of the four (4) working groups they desired to work on.

XIV. The initial meeting of the Commission adjourned at 12:25 p.m.